30th October 1931]

STARRED QUESTION

Proposals regarding retrenchment in Government expenditure.

* 345-A *Q.*—Mr. A. B. Shetty: Will the hon. the Member for Finance be pleased to state—

(*a*) what the proposals of the Government are in regard to retrenchment;

(*b*) whether any measures of retrenchment have so far been given effect to; and

(*c*) whether the recommendations of the Retrenchment Committee will be placed before the Council before final decisions are taken on them by the Government?

A.—(*a*) In accordance with the procedure prescribed in G.O.[a] No. 255, Finance, dated 10th April 1931, appointing and defining the functions of the Retrenchment Committee and the Retrenchment Secretary, 41 memoranda and supplementary memoranda on general or departmental expenditure have been prepared by the Retrenchment Secretary and the Committee have held 18 meetings, 4 in Ootacamund and 14 in Madras till the end of September. At these meetings, 23 of the memoranda referred to above have been considered by the Committee and economies amounting in all to about Rs. 63 lakhs have been recommended. A list[a] of these economies marked A is laid on the table.

In addition, at their first meeting the Committee recommended the issue of a circular to all heads of departments calling upon them to explain how an 8 per cent cut in expenditure could be secured by administrative measures with the least possible prejudice to efficiency and progress. The circular was issued on June 30th and replies have since been received and have been examined or are still under examination.

Finally, the Government themselves, with the concurrence of the Retrenchment Committee, found it necessary, in view of unfavourable reports as to the prospects of revenue—and particularly Excise revenue—during the current year, to order reductions in the budget provision under various heads without in all cases specifically consulting the Committee beforehand. Such reductions as have been made in this way, without previous reference to the Committee, are for the current year only and without prejudice to any recommendations that the Retrenchment Committee may decide to make when they come to consider each head concerned in detail. A list[a] of these reductions is attached marked B.

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[a] Printed as Appendix XXII on pages 171-176 infra.

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(*b*) The lists A and B to which reference has already been made show what measures of retrenchment have already been given effect to. The orders so far passed on the specific recommendations of the Committee (list A) are calculated to secure savings (mostly of a recurring nature) amounting to about Rs. 16·71 lakhs in a full year. Further economies may of course be expected as Government come to pass orders on the proposals that are still pending.

The immediate savings ordered for the current year only (list B) amount to about Rs. 88 lakhs, which figure includes the savings that will accrue during the remaining months of the year on those proposals of the Committee that have already been accepted by Government.

(*c*) Government have carefully considered the suggestion made by the hon. Member and have come to the conclusion that it would be impracticable if retrenchment is to be effective and speedy, to place all the proposals of the Committee before the House before passing final orders on them. The proceedings of the Committee are given ample publicity by means of daily Press Communiques while the Committee is in session and the procedure of the House is open to any member who desires to raise objection to any of the proposals made. In addition, Government will take every opportunity, such as the present, to keep the House as fully informed as possible of what is being done.

[*Note.*—An asterisk (*) at the commencement of a speech indicates revision by the Member.]

IV.—ADJOURNMENT MOTION REGARDING THE CONDUCT OF REVENUE OFFICERS AT ELLORE.

* Mr. SAMI VENKATACHALAM CHETTI :—" Sir, under Standing Order 20, I beg your leave and the leave of the House for making a motion for the adjournment of the business of the House for the purpose of discussing a definite matter of urgent public importance, to wit:

' *The conduct of the Revenue Officers of Government at a public meeting held at the Y.M.H.A., Ellore, on the 18th October* 1931 '."

* The hon. the PRESIDENT :—" Will the hon. Member say how the matter is urgent at this stage? "

* Mr. SAMI VENKATACHALAM CHETTI :—" The urgency of the matter is this. Unless the conduct of the Revenue Officers which showed itself in the public meeting referred to is checked, it is very likely that such conduct will be repeated. In the interests of peace and order it is necessary that Government should take notice of these things and do something to check the over-zeal of some of their subordinates."